TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM

SB 621 – HB 680

March 29, 2017

SUMMARY OF ORIGINAL BILL: Eliminates requirements for state park marinas, campgrounds, golf courses, cabins, gift shops, restaurants, and inns to be self-sufficient through generated revenue. Eliminates the priority schedule for revenue exceeding the required self-sufficiency level of funding to operate such state park facilities.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006502): Adds language to the original bill that establishes that if revenues generated by state park marinas, campgrounds, golf courses, cabins, gift shops, restaurants, and inns that are collectively insufficient to cover all of the direct operational cost incurred at such facilities in any fiscal year, then any such revenue generated by state park marinas, campgrounds, golf courses, cabins, gift shops, restaurants, and inns collectively in the immediate subsequent year exceeding the amount that is sufficient to cover such costs incurred shall not revert to the General Fund and be deposited into the State Park Fund.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The proposed bill as amended is deleting the legislature's expressed intent that revenue generating facilities at state parks be "self-sustaining" pursuant to the State Park Funding Act of 2004.
- According to the information provided by the Department of Environment and Conservation (TDEC), the Department has not increased fees for state park marinas, campgrounds, golf courses, cabins, gift shops, restaurants, and inns as a result of the State Park Funding Act.
- TDEC indicates that golf and restaurant facilities were not self-sufficient as defined by law in the past three fiscal years.

- Based on the information provided by TDEC, the Department will not reduce state park fees as a result of eliminating self-sufficiency requirements for marinas, campgrounds, golf courses, cabins, gift shops, restaurants, and inns in state parks, and do not anticipate changing the manner in which the Department operates the park system.
- TDEC indicates that the Department currently increases and decreases fees throughout the year based on market conditions; as a result, any fiscal impact to state or local governments is reasonably estimated to be not significant. In addition, the Department indicates that it has the ability to shift revenue from venues that is operating above the level of self-sufficiency to other venues but with restrictions pursuant to Tenn. Code Ann. § 11-3-306.
- Passage of this bill as amended will allow revenue derived from venues operating above the level of self-sufficiency to shift to other venues without restriction. As a result, some parks, marinas, campgrounds, and other areas may experience an increase in funding as a result of the bill as amended that would not have occurred in the absence of the bill, but there would be an offsetting decrease in funding to other parks, marinas, campgrounds, or other areas. Any net impact on funding is estimated to be not significant.
- The amount of funding that will not revert to the General Fund and will remain in the State Park Fund as a result of this bill as amended is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista M. Lee RNC

Krista M. Lee, Executive Director

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